

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

FRANCESCO GALLO,

Plaintiff,

ALITALIA - LINEE AEREE
ITALIANE - SOCIETA PER AZIONI;
PIERANDREA GALLI; and
GIULIO LIBUTTI.

Defendants.

INDEX NO:

07 CV 06418

VIDEOTAPED DEPOSITION OF PIERANDREA GALLI

New York, New York

Monday, January 28, 2008

MAGNA LEGAL SERVICES
Two Penn Center
Suite 910
Philadelphia, PA 19102

1 So there was something that was not
2 controlled well, and so they took the decision.

3 Q So Mr. Marchese had an issue of
4 controlling something well?

5 A Yes.

6 Q Would you say that was a job
7 performance issue?

8 A Can you repeat, please?

9 Q Would you say that was a job
10 performance issue?

11 A It's a matter of -- it's related to
12 the audit. So, yes, it's part of his duty.

13 Q So was the decision to terminate
14 Mr. Marchese made because he wasn't doing his
15 duties?

16 MR. KORAL: Objection.

17 THE WITNESS: Part of his duties.

18 BY MR. AKIN

19 Q That he wasn't performing part of his
20 duties?

21 A (Witness nods head.)

22 MR. KORAL: Objection.

23 BY MR. AKIN:

24 Q You have to answer.

25 A Yes.

1 Q She can't take down head nods.
2 Now, going back to Mr. Gallo; when you
3 arrived in New York, he was the head of
4 corporate affairs.

5 What were his duties and obligations as
6 the head of corporate affairs?

7 A He had to handle relationship with,
8 let's say, institution, regarding safety and
9 security. He was dealing with union. And all
10 legal issue of the company.

11 And he was also the head of -- how can
12 I explain -- the relation with media.

13 Q Public relations?

14 A Yes. Kind of public relations.

15 Q Now, you said, "and all relations
16 with institutions."

17 What does that mean?

18 A Relation with Washington; with TSA,
19 the safety/security agency. And all the
20 corporate affairs regarding Alitalia
21 North America.

22 Q During the one year that you were
23 stationed in New York, how was Mr. Gallo's job
24 performance?

25 MR. KORAL: Objection.

1 THE WITNESS: Good.

2 BY MR. AKIN:

3 Q Did you have to write any reviews
4 regarding Mr. Gallo's performance?

5 A No.

6 Q Did you have to report Mr. Gallo's
7 performance to anybody?

8 Did you have to report Mr. Gallo's
9 performance to anybody?

10 A No.

11 Q Was there anybody else that Mr. Gallo
12 answered to, besides yourself?

13 A Yes.

14 Let's say, functional link with all
15 departments in Rome that are dealing with legal
16 security issue.

17 Q And that does not go through you --
18 excuse me. Strike that.

19 That did not go through you at the time?

20 A No. No.

21 Q Did Mr. Gallo's title ever change?

22 MR. KORAL: Objection.

23 Any time during his career?

24 MR. AKIN: Any time after July 2003,
25 after you arrived in New York.

1 THE WITNESS: No.

2 BY MR. AKIN:

3 Q Do you know when Mr. Gallo's
4 employment with Alitalia ended?

5 A It was his decision to accept a
6 consultancy agreement with Alitalia in
7 September 205 (sic).

8 MR. KORAL: 2005.

9 THE WITNESS: Yes.

10 BY MR. AKIN:

11 Q Now, how did the consultation
12 agreement come about?

13 A Can you be more precise?

14 Q Yes. Sure.

15 Who brought up the consultation agreement
16 first?

17 MR. KORAL: Objection.

18 BY MR. AKIN:

19 Q Who brought it up? How did it come
20 about?

21 A There was, during the year 2002,
22 2003, 2004, some, let's say, packages offered
23 to the executives in Italy. And when I arrived
24 in US, I told Frank about that. And if he
25 wanted, I can put through Rome and have such

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BY MR. AKIN:

Q Did Mr. Libutti ever speak to you about her?

A No.

Q The consultation agreement that Mr. Gallo had with Alitalia, whose decision was it to terminate that agreement?

A It was made by the top management of the company.

Q Who do you mean by "top management"?

A The ones that I said before; so Mr. Spazzadeschi and Mr. Cestaro.

Q Was that ever discussed with you?

A No.

Q Do you know who advised Mr. Gallo that he was terminated?

A Me and Mr. Libutti.

Q When?

A May in 2006.

Q In May of 2006?

A May 2006, yes.

Q Were you and Mr. Libutti together when you advised Mr. Gallo of his termination?

A Yes.

Q Where did it take place?

MR. KORAL: Objection.

THE WITNESS: No.

I just said, "It was a decision from the top management."

BY MR. AKIN:

Q Did you in any way try to prevent the termination?

A I had no chance.

MR. KORAL: Objection.

BY MR. AKIN:

Q Did you try?

A I have no chance.

Q What do you mean by that?

A There was a decision coming from the top, so you cannot discuss.

Q Were you consulted at all about terminating Mr. Gallo, by top management?

A No.

Q Was Mr. Libutti consulted at all?

A No.

Q Do you know why top management came to that decision, whether at that time or subsequently?

A It was a result of an audit and a decision to clean the North America.

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A At the office of Mr. Gallo.

Q And what was said between you; what was said?

MR. KORAL: Objection.

THE WITNESS: What do you mean, "what was said"?

BY MR. AKIN:

Q When you went to advise Mr. Gallo that he was terminated, how did the conversation start? How did it go?

MR. KORAL: Objection.

THE WITNESS: I just told him the decision of the company; the terminated agreement.

BY MR. AKIN:

Q How long did the conversation take?

A No more than ten minutes.

Q Did Mr. Gallo inquire as to why he was being terminated?

A Yes.

Q And what did you respond?

A It was a decision from the top management.

Q Did you ever indicate whether you concurred or disagreed with the decision?

Q What audit are you talking about?

A What?

Q You said, "It was as a result of an audit."

What was the audit?

A It was an audit in 2004, I think, on North America.

Q And what did the audit disclose, that resulted in Mr. Gallo's termination?

A There was the audit regarded, as I mentioned before, when we were talking about Mr. Marchese.

Q Right.

It was the same audit?

A Yes.

Q Did you ever get a copy of that audit report?

A I just saw the synthesis of it.

Q Okay. Who has a copy of the audit report?

A The auditing department in Rome.

Q Okay.

REQ MR. AKIN: We're going to ask that we be provided a copy of the audit report that Mr. Galli is speaking about?